

2011
Texas Capital Fund
Real Estate/Infrastructure Programs
Short Form Application



Texas Department of Agriculture
1700 N. Congress
P.O. Box 12847
Austin, Texas 78711

TO: Non-Entitlement City & County Governments (Applicant)

FROM: Texas Department of Agriculture

SUBJECT: Application for the Texas Capital Fund Infrastructure Improvements & Real Estate Development Programs – Program Year 2011

Thank you for your interest in the Texas Capital Fund (TCF). TCF was created to improve the Texas economy by encouraging business development, retention, or expansion. These goals are accomplished by providing infrastructure grants, real estate development funds, and main street improvement funds to qualified applicants.

These funds are a part of the federal Community Development Block Grant (CDBG) program, and come from the U. S. Department of Housing and Urban Development (HUD). In Texas this is known as the Texas Community Development Program (TCDP). The Texas Department of Rural Affairs (TDRA) administers the TCDP, and the Texas Department of Agriculture (TDA or Department) administers the Texas Capital Fund program through an interagency agreement with TDRA. For 2010, the State received approximately \$72 million for non-entitlement communities. Of this, TCF receive approximately \$11.5 million. The amounts for 2011 have not been disclosed by HUD yet and may be different from 2010.

This document provides the procedures and forms for preparing a Short Form Application. Also, forms may be obtained through e-mail or computer disk. Please refer to the Guidelines for comprehensive information pertaining to the Texas Capital Fund. **All Short Form Applications and required documentation is due to the Department by 5:00 PM the 20th of the month or the next business day if the 20th is not a regular business day. Late applications or applications with missing documentation will be held for re-submission the following month. Note that references to the 2000 Census will change with the release and availability of the 2010 Decennial Census and updated relevant HUD files.** The completed Short Form Application and any requests for additional information should be addressed to:

Texas Capital Fund
Rural Economic Development Division
Texas Department of Agriculture
1700 N. Congress
Stephen F. Austin Bldg., Rm. 1000
Austin, Texas 78701

(512) 936-0273
FAX (888) 216-9867
e-mail: finance@TexasAgriculture.gov
Web site: <http://www.TexasAgriculture.gov>

TDD/ITT 1-800-735-2988. The Texas Department of Agriculture is an equal opportunity employer/program. Auxiliary aids and services will be made available upon request to individuals with disabilities.

Application/Review checklist for Texas Capital Fund Infrastructure & Real Estate Development Programs

The following items **must** be included in the application in the order in which they are listed, and **all documents must be originals**. Only one complete application should be submitted **in** a three-ring binder with tabs identifying each section. **All documentation must be placed in the appropriate section. Failure to comply may result in loss of application points, unnecessary delay of evaluation of the application and/or a more extensive deficiency letter.**

If the application is found to be substantially incomplete it will be denied without further consideration. Scores are reviewed and finalized based on information contained in the application. Applications, information and/or documentation received after the 20th of each month will not be considered for scoring purposes until the end of the following month. Applications identified by the Texas Department of Agriculture as in the funding range will be given 30 business days to provide additional project details, business & personal financial information, business information, maps, cost estimates, public notices, applicant representations & certification, etc. before the evaluation process may continue. Failure to provide the requested documentation or to respond to deficiency requests may result in an application being **denied**.

Applicants will be required to complete and provide the Public Hearing process documentation, an applicant resolution supporting the application/project, certifications, etc. if determined to be in the funding range.

^a indicates information that is generally prepared/submitted by the applicant & the business(es)

^b indicates information that is generally prepared/submitted by the business(es)

^c indicates information that is generally prepared/submitted by the applicant

For Department Use Only	TEXAS CAPITAL FUND (All pages referenced are in the Application unless otherwise noted)	Applicant Use
Complete Incomplete	Application Contents	Initial if complete NA if not applicable

Presentation of Application ^c

	1. Originals only	
	2. Application presented in a three-ring binder with divider tabs	
	3. The following documentation must be placed in the immediate front of the binder:	
	a. Application/Review checklist executed by business and applicant	
	b. Score Sheet	
	c. All documentation to support the score you claim in each category	

Section A - Application & Project Information ^a

	1. Applicant & Business Information – see pages 6 thru 9	
	2. Project Information – see page 10	

Section B - Employment Forms/Letters ^b

Must be provided by each business in “multiple business” applications.

	1. Job commitment letter (creation and/or retention) from business(es) – see sample pages 12 and 13	
	2. Documentation to support job retention – see <i>Section 1, Guidelines, pg. 13</i>	

Section C - Sources and Uses and Budget Justifications ^a

	1. <i>Sources and Uses of Funds</i> Form – see page 14	
	2. Area Map , drawn to scale, showing project location site in community (<i>Guidelines, pg. 25</i>)	
	3. Business Financial Commitment Letter (see page 15 & <i>Guidelines pg. 24</i>) All businesses.	
	4. Business Verification of Deposit(s) (see page 16 & <i>Guidelines, pg. 28</i>) All businesses.	
	5. Lender Commitment Letter (see page 17)	
	6. Other Financial Commitment Letter/Resolution	
	7. Other verification of Deposit(s)	
	8. Letter From Applicant – Provide a letter addressing the inability to fund the project citing specific reasons.	

For Department Use Only Complete Incomplete	TEXAS CAPITAL FUND (All pages referenced are in the Application unless otherwise noted)	Applicant Use
	Application Contents	Initial if complete NA if not applicable

Section D - Business Plan Executive Summary ^b –

Must be provided by each business in “multiple business” applications.

Please have the business provide a brief overview of the following business plan topics. This should consist of no more than 2-5 pages of information.

		1. Business Basic Information (include information on legal structure, owners, history of business, locations, etc.)	
		2. Products and/or Services (describe products/services originating at this location and company wide.	
		3. Market (include information on product demand, total market, target market, the niche of the business, etc.)	
		4. Operations (include information on location, physical facility, labor, suppliers, regulatory requirements, etc.)	
		5. Marketing (include information on how the business intends to market product, promotions, advertising, distribution channels, customer conveniences, etc.)	
		6. Management Experience/History and Organization Chart	
		7. Description of Proposed TCF Project	

The applicant and business(es), by and through their agents’ signatures below (1) certify that all information provided in connection with this application at any time is true and correct to the best of their knowledge; (2) acknowledge that any misrepresentation or false statement made in connection with this application, whether intentional or not, will constitute grounds for denial, pursuant to this application and/or assessment of monetary administrative penalties. If signed by an agent (including employee) of the applicant or business(es), the person signing certifies that he or she is authorized to make the preceding certifications.

City/County

Business(es)

Typed or Printed Name
Signature
Local Government Title
Date

Typed or Printed Name
Signature
Business Title
Date

Business(es)

Typed or Printed Name
Signature
Business Title
Date

Typed or Printed Name
Signature
Business Title
Date

2011 Texas Capital Fund Application Scores

Name of Applicant _____

PLACE SUPPORT DOCUMENTATION IMMEDIATELY BEHIND THIS FORM. Support documentation must be submitted for verification purposes, otherwise the category will be scored 0.

Community Distress/Need (Max 40 Points)	Proposed Score												
Unemployment Rate: Applicant's most recently available quarterly (most recent 3 months averaged) county rate. Score 5 points if this figure meets or exceeds the state average for the same time frame. (Maximum 5 points)													
Poverty Rate: Applicant's annual county poverty rate for individuals (from the most recent decennial Census) is _____. Score 5 points if this figure meets or exceeds the state average of 15.4%. Score 10 points if this figure exceeds 17.7%. (Maximum 10 points)													
Awarded Contracts: Score 10 points if the community has been awarded zero TCF contracts in the current or the preceding 2 calendar years.													
Community Size: Points are awarded to applying small cities and counties using the most recent decennial Census information. For <u>cities</u> : score 5 points if the city is located in a county with a population of 35,000 or less; and score 5 additional points if the population of the city is less than 5,000. For <u>counties</u> : score 5 points if the county population is less than 35,000 and score 5 additional points if the county population is less than 15,000. Community population figures are net of the population held in adult/juvenile correctional institutions. (Maximum 10 points)													
Per Capita Income: Award 5 points to applicant's that have a per capita income level below the state average of \$19,617, using the most recent available decennial information. (Maximum 5 points)													
Jobs (Max 35 points)													
Job Impact: Business' (all businesses combined) job commitment, created &/or retained, ____ divided by applicant's most recent decennial Census population _____ = job impact ratio _____. Score 5 points if this figure exceeds .00485; score 10 points if this figure exceeds .00969 and score 15 points if this figure exceeds .01455. (Maximum 15 points)													
Cost per job: The total amount of the (requested) TCF award is \$_____, including administration, divided by the total number of jobs created/retained by all businesses _____ = Applicant's cost per job \$_____. Score 10 points if the cost per job is less than \$15,000; and score 5 points if the cost per job is less than \$20,000. (Maximum 10 points)													
Wage Impact: Awarded by taking the business' average weekly wage commitment, for all jobs proposed to be created and retained, and dividing by applicant's most recent county, quarterly, private sector average weekly wage. Score 5 points if this figure exceeds 0.50 and score 10 points if this figure exceeds 0.60. (Maximum 10 points)													
Economic Emphasis (Max 25 points)													
Primary Jobs: Awarded if the jobs to be created/retained are, or will be employed by a benefiting businesses with the following primary NAICS codes. This is based on the code reported on the business' Texas Workforce Commission (TWC) Quarterly Contribution Report Form C-3, their Business IRS tax return, or other documentation from the TWC. In a multi-business application, the major employer's NAICS code determines the eligible points. 20 points for NAICS category 31-33 Manufacturing 15 points for the following NAICS categories:													
<table border="0"> <tr> <td>111 Crop Production</td> <td>42 Wholesale Trade</td> </tr> <tr> <td>112 Animal, milk, poultry & egg production</td> <td>48-49 Transportation/Warehousing</td> </tr> <tr> <td>113 Forestry/Logging</td> <td>51 Information (excluding 512-theaters)</td> </tr> <tr> <td>114 Commercial Fishing</td> <td>5182 Data Processing, Hosting, & Related Services</td> </tr> <tr> <td>115 Support Activities-Agriculture/Forestry</td> <td>62 Health Care</td> </tr> <tr> <td>211-213 Mining</td> <td></td> </tr> </table>	111 Crop Production	42 Wholesale Trade	112 Animal, milk, poultry & egg production	48-49 Transportation/Warehousing	113 Forestry/Logging	51 Information (excluding 512-theaters)	114 Commercial Fishing	5182 Data Processing, Hosting, & Related Services	115 Support Activities-Agriculture/Forestry	62 Health Care	211-213 Mining		
111 Crop Production	42 Wholesale Trade												
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115 Support Activities-Agriculture/Forestry	62 Health Care												
211-213 Mining													
5 points for projects involving non-primary jobs, when the business offers a choice of medical and prescription drug benefits to employees, including coverage for the family (Applicants may not receive points for both the NAICS code and health coverage)													
Small/HUB Businesses: Score 5 points if each benefiting business, in a "multiple business" application, employs less than 100 people OR has been certified by the Texas Building and Procurement Commission (TBPC) as a Historically Underutilized Business (HUB). Provide current employee count for any/all locations combined and related businesses _____. (Max 5 points)													
TOTAL SCORE													

Details for the individual score categories and resources may be found on pages 26-28 in the Guidelines.

APPLICATION INFORMATION FORM

TRACKING #

SECTION A	APPLICANT INFORMATION			
	Locality Name			
	Localities DUN's #:		11 Digit Texas Tax I.D. #:	
	PHYSICAL ADDRESS			
	Address (No P.O. Box)			
	City	State	Zip	County
	MAILING ADDRESS			
	P.O. Box			
	City	State	Zip	County
	Fiscal Year End	Short Description of Project:		
Type of Project Infrastructure <input type="checkbox"/> Real Estate <input type="checkbox"/> Infrastructure and Real Estate <input type="checkbox"/>				
SECTION B	CHIEF ELECTED OFFICIAL			
	<input type="checkbox"/> Mayor. <input type="checkbox"/> Judge	First Name	M. I.	Last Name
			Primary Phone () - Ext.	
	Secondary Phone (optional) () - Ext.		Fax (optional) () - Ext.	
	Date of term expiration			
	E-mail address required		Would you prefer to be contacted by E-mail? <input type="checkbox"/> Yes <input type="checkbox"/> No	
	MAILING ADDRESS			
	Address			
City	State	Zip	County	

SECTION C	LOCALITY CONTACT				
	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> ____		First Name	M. I.	Last Name
	Title		Primary Phone () - Ext.		
	Secondary Phone (optional) () - Ext.		Fax (optional) () - Ext.		
	E-mail		Would you prefer to be contacted by E-mail? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	MAILING ADDRESS				
Address					
City		State	Zip	County	
SECTION D	PREAWARD PERSON TO CONTACT				
	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> ____		First Name	M. I.	Last Name
	Title:		Primary Phone () - Ext.		
	Company name :				
	Secondary Phone (optional) () - Ext.		Fax (optional) () - Ext.		
	E-mail		Would you prefer to be contacted by E-mail? <input type="checkbox"/> Yes <input type="checkbox"/> No		
MAILING ADDRESS					
Address					
City		State	Zip	County	
SECTION E	FINANCE DIRECTOR				
	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> ____		First Name	M. I.	Last Name
	Title		Primary Phone () - Ext.		
	Secondary Phone (optional) () - Ext.		Fax (optional) () - Ext.		
	E-mail		Would you prefer to be contacted by E-mail? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	MAILING ADDRESS				
Address					
City		State	Zip	County	

LEGISLATIVE NOTIFICATION INFORMATION DISTRICT NUMBERS		
SECTION F	U. S. Representative	District #
	Telephone numbers: Washington Off-Regional Off-	
	State Senator	
	Telephone numbers: Austin Off-Regional Off-	
	State Representative	
	Telephone numbers: Austin Off-Regional Off-	
	State Representative	
	Telephone numbers: Austin Off-Regional Off-	
	State Representative	
	Telephone numbers: Austin Off-Regional Off-	

Complete one page for each business in a “multiple business” applications.

SECTION G	BUSINESS TYPE				
	Please provide the following information on all the Operating Business(es) that will create/retain jobs and meet the LMI goals for this Texas Capital Fund project.				
	Is the operating business: <input type="checkbox"/> Existing <input type="checkbox"/> To be established . When? _____				
	<input type="checkbox"/> Corporation		<input type="checkbox"/> Limited Liability Co.		
	<input type="checkbox"/> Limited Partnership		<input type="checkbox"/> General Partnership		
	<input type="checkbox"/> Sole Proprietorship				
	Type of Business:			Primary NAICS/SIC code of business:	
	BUSINESS INFORMATION				
	Full legal business name (owner’s name if sole proprietor – no aliases)				
	D.B.A. (if applicable)				
Federal Taxpayer ID No.		DUN’s Number (required)			
Physical Location of Project:					
Census Tract: Block Group:					
SECTION H	PERSON TO CONTACT (Business)				
	<input type="checkbox"/> Mr. <input type="checkbox"/> Mrs. <input type="checkbox"/> Ms. <input type="checkbox"/> ____		First Name	M. I.	Last Name
	Title		Primary Phone () - Ext.		
	Secondary Phone (optional) () - Ext.		Fax (optional) () - Ext.		
	E-mail		Would you prefer to be contacted by E-mail? <input type="checkbox"/> Yes <input type="checkbox"/> No		
	MAILING ADDRESS				
SECTION I	Address				
	City		State	Zip	County
	JOB CREATION INFORMATION				
SECTION J	Total number of jobs to be created				
	Total number of jobs to be retained				
	Total number of Low and Moderate Income jobs to be created				
	Total number of Low and Moderate Income jobs to be retained				

PROJECT INFORMATION

Fill in the blanks and provide extra sheets where necessary.

1. Will the assistance requested have any negative impact(s) or effect(s) on the environment?

Yes _____ No _____ Provide a brief description of potential environmental problems, if any.

Note: All applicants and businesses funded by the TCF will have to comply with federal regulations regarding environmental clearance prior to spending TCF funds, as outlined on the *Sources and Uses of Funds* form. See requirements and exceptions under environmental review in the program guidelines.

2. Will the assistance requested cause the displacement of individuals, families, businesses, or farms?

Yes _____ No _____ Number of: Individuals: _____
Families: _____
Businesses: _____
Farms: _____

3. Are you or your business(es) involved in any pending lawsuits?

Yes _____ No _____ If yes, provide an explanation.

4. Has the business(es) or principal(s) included in this project ever been involved in bankruptcy or insolvency proceedings? If yes, identify the specific business and or principal(s).

Chapter 7	Yes _____	No _____	Date _____
Chapter 11	Yes _____	No _____	Date _____
Chapter 13	Yes _____	No _____	Date _____
Other	Yes _____	No _____	Date _____

Note: Generally, business and/or principal bankruptcy disqualifies a project; on a case-by-case basis extenuating circumstances will be evaluated. Provide an explanation and a description of the current legal status.

5. Will this project assist "brownfields" being redeveloped?

6. Has the business previously received assistance from the Community Development Block Grant program (in this state or any other state)?

Yes _____ No _____ If yes, provide an explanation to include when, where, amount, purpose/use of funds, and contact information.

7. Is there sufficient other infrastructure (except as requested in this application) to support this project?

Yes _____ No _____

8. Discuss any existing or proposed financial incentives (i.e. tax abatement) being provided/offered by local government to the business.

9. Is the applicant located in a designated Texas Water Development Board, Economically Distressed Areas Program (EDAP) County?

Yes _____ No _____

If yes, has the applicant adopted the Model Subdivision Rules? If yes, when?

Yes _____ No _____

10. Does this project involve a relocation of any kind?

Yes _____ No _____

If yes, please explain the details of the relocation: (see **Relocating Projects** in the *Guidelines, Section 1, pg. 16*)

11. Will any additional business(es) benefit from or access the proposed infrastructure improvements?

Yes _____ No _____

If yes, please list the business(es) which will benefit from the proposed improvements. Also, please identify this business(es) on a map in relation to the infrastructure improvements. If any business(es) will be benefiting from the proposed improvements to be paid by TCF, the one (1) year tap-in requirement may apply. See *Tap-In Requirement, Guidelines, pg. 31* for more details.

12. Is the business a Historically Underutilized Business?

Yes _____ No _____

If yes, business must attach the *Texas Building and Procurement Commission* certification.

13. Do(es) the business(es) being assisted provide a product or service to the neighborhood or community?

Yes _____ No _____

14. Does this project involve building rehabilitation? If yes, how many?

15. Will any of the proposed improvements be located on a TXDoT controlled highway, road, or right away?

Yes _____ No _____

Applicant Minority Hiring Information

Provide information on the current status of minority hiring within your city/county as follows and insert into the appropriate area of the application.

Total Population	Minority Population	% Minority Population
Applicant Employment Level	Applicant Minority Employment Level	% Minority Population

SAMPLE JOB CREATION COMMITMENT LETTER

A letter is required from each business named in this application that would be creating/retaining jobs as a direct result of TCDP funding. This letter must specify the full or part-time (seasonal) status of all such jobs, type of job and salary, as well as methods for ensuring primary benefit to low and moderate-income persons. If the business has made arrangements with another entity to provide employment screening or job training (such as the Workforce Investment Act (WIA) formerly known as JTPA), submit a letter reflecting this agreement.

June 28, 20xx (dated within 30 days of application submission)

The Honorable Joe Cameron
Mayor, City of Some City
Some City, Texas 76821

Dear Mayor Cameron:

This is to confirm that our business will build its new manufacturing facility in Some City, contingent upon the City's providing us with the (specify infrastructure improvements or real estate assistance as applicable). It is our understanding that the City will apply for a Texas Capital Fund award from the Texas Department of Agriculture. As this is the City's only current option for providing us with the needed (specify infrastructure improvements or real estate assistance as applicable), we will be unable to proceed with this project unless the funds are awarded. We recognize that no job working less than 20 hours would be considered part-time, and no job working less than 35 hours would be considered full time. If we receive this assistance, we will create the following 38 jobs:

1	Officials and Managers	8	Technicians
2	Professionals	5	Office and Clerical
20	Operatives (semi-skilled)	2	Service Workers

Of the above, 20 or more of all of the jobs created will be filled by low- and moderate-income persons as defined by HUD for the County of _____. Our business is an equal opportunity employer. We have included within our hiring plan the practice of notifying the local Texas Workforce Commission office to obtain referrals of unemployed applicants. Also, our business provides employer sponsored health care for all employees.

Please feel free to contact me if you need further information.

Sincerely,

John Sanchez
President

SAMPLE JOBS RETENTION COMMITMENT LETTER
(Business Letterhead)

June 28, 20xx (dated within 30 days of application submission)

The Honorable Joe Cameron
Mayor, City of Some City
P.O. Box 1
Some City, Texas 76821

Dear Mayor Cameron:

Our cardboard container production and pallet operations have been located in the Old Industrial Park for almost 25 years. We have been very supportive of the City over the years, but now we need your assistance. As you know, we are in need of a [specify infrastructure improvements or real estate assistance as applicable and why (pertaining to retaining employees)].

We employ 38 persons of which 20 qualify as low- and moderate-income persons per HUD Section 8 Income Limits for (name of applicable county). The income status of each employee was established by providing XYZ Corporation with a written certification of his or her total family income and size. These certifications are included in the application. We recognize that no job working less than 20 hours would be considered part-time, and no job working less than 35 hours would be considered full time. If we receive this assistance, we will retain the following 38 jobs:

1	Officials and Managers	8	Technicians
2	Professionals	5	Office and Clerical
20	Operatives (semi-skilled)	2	Service Workers

In conclusion, if the City is not able to provide us with the (specify infrastructure improvements or real estate assistance as applicable), we will be forced to relocate to a more suitable location outside the State of Texas within the next 12 months **or** we will be forced to close down permanently.

Please let me know if we can provide additional information.

Sincerely,

John Sanchez
President

Sources and Uses of Funds

Name of Assisted Business _____				Applicant Name _____				
Activity	TCF Injection	Private/Corporate Injection		Private Lender's Injection		Other Sources Injection		TOTAL
	\$\$	Source	\$\$	Source	\$\$	Source	\$\$	\$\$
1. Real Estate								
Acquisition								
Equity								
2. Engineering								
3. Infrastructure								
4. Bldg. Construction								
5. M&E-Acquisition								
Equity								
6. Working Capital								
7. Sub-Total								
8. Administration								
9. TOTAL								

NOTE: All dollar amounts should be rounded to the nearest one hundred dollars (\$100)

The project amounts, both TCF and match, specified above will be used as the basis for the project amounts identified in the award and contract. Frequently, there are costs and/or expenses in addition to those detailed above. Although, this information will not be used in evaluating the application, please let us know approximately how much the project will total: \$_____.

EVIDENCE OF FINANCIAL COMMITMENT
(From each business, On Business Stationery)

June 28, 20xx (dated within 30 days of application submission)

The Honorable Joe Cameron
Mayor, City of Some City
P.O. Box 1
Some City, Texas 76821

Dear Mayor Cameron:

As you are aware, the XYZ Manufacturing Corporation (XYZ) has experienced a great deal of growth over the last several years. A result of this growth is the need to expand our operation. XYZ plans to expand by constructing a 25,000 square foot building on land purchased by the firm two years ago at the Westside Industrial Park. **or** In order for the expansion to Some City to occur, we would need to lease a 25,000 square foot building.

The total project cost, including the equity in the land, the construction of the building, working capital, and the required infrastructure, is \$1,635,000. The proposed financing for the project can be summarized as follows:

Bank Loan Funds	885,000
Corporate Equity	500,000
TCF Infrastructure Award	<u>500,000</u>
	\$ 1,835,000

The equity is from two sources. XYZ is contributing \$200,000 cash (verification of deposit from First Bank of Some City, Texas is attached) and \$300,000 in land equity to the project. The land equity has been calculated as follows:

Current Market Value	750,000
(see attached tax appraisal)	
Less Debt on the Land	<u>(450,000)</u>
Land Equity	\$300,000

The project's feasibility, taking into consideration the unavailability of other public funds to complete the required infrastructure/real estate improvements, is contingent upon XYZ obtaining the required infrastructure from the TCF **or** obtaining the required leased facilities (through an economic development award to Some City, Texas). Without assistance from the TCF, we cannot proceed with the project at this time. We understand that as condition of the infrastructure award we will be responsible for repaying a portion of the infrastructure through monthly payments to the city. Furthermore, we understand that as a part of the Texas Capital Fund Application process we will be required to submit business and personal financials as requested in the Project Detail and Business Information Application. This information will help assure you of our businesses viability and commitment to future growth and investment in the community.

Sincerely,

John Sanchez
President

TEXAS DEPARTMENT OF AGRICULTURE TEXAS CAPITAL FUND	REQUEST FOR VERIFICATION OF DEPOSIT					
APPLICANT: This information will be used by the Texas Department of Agriculture (TDA) to determine whether you qualify as a prospective beneficiary under the Texas Capital Fund (TCF) Program.						
INSTRUCTIONS						
APPLICANT BUSINESS: Complete Items 1, 3, 4, & 5. Forward directly to the Depository Institution named in Item 1. DEPOSITORY: Please complete Items 6 through 11.						
PART 1 - REQUEST						
1. TO (Depository Name and Address)	1. FROM Texas Capital Fund (TCF) Texas Department of Agriculture (TDA) P.O. Box 12847 Austin, Texas 78711 512-936-0273					
3. INFORMATION TO BE VERIFIED						
Type of Account and/or loan	Account/Loan in Name of	Account/Loan Number	Balance			
			\$			
			\$			
			\$			
			\$			
			\$			
			\$			
			\$			
DEPOSITORY: I have applied for support under the TCF and stated that the balance on deposit and/or outstanding loans with you are as shown above. You are authorized to verify this information and to supply TDA, identified above, with the information requested in Items 6 through 11.						
4. NAME AND ADDRESS OF APPLICANT(S)	5. SIGNATURE OF APPLICANT(S)					
PART II- VERIFICATION						
To Be Completed By Depository						
6. DEPOSIT ACCOUNTS OF APPLICANT(S)						
Type of Account	Account Number	Current Balance as of (actual)	Average Balance for Previous Two Months Date Opened			
		\$				
		\$				
		\$				
		\$				
7. LOANS OUTSTANDING TO APPLICANT(S)						
Loan Number	Date of Loan	Original Amount	Current Balance as of	Installments (Monthly)	Secured By	# of Late Payments within last 12 Months
		\$	\$	\$ per		
		\$	\$	\$ per		
		\$	\$	\$ per		
		\$	\$	\$ per		
		\$	\$	\$ per		
8. ADDITIONAL INFORMATION, WHICH MAY BE OF ASSISTANCE IN DETERMINATION OF CREDIT WORTHINESS. (Please include information on loans paid-in-full as in Item 7 above).						
9. Signature of Depository Official				10. Title		11. Date

SAMPLE FINANCIAL INSTITUTION COMMITMENT LETTER
(On Lender Stationery)

June 28, 20xx (dated within 30 days of application submission)

Mr. John Sanchez, President
XYZ Manufacturing Corporation
1017 S. Flores Street
Some City, Texas 78711

Dear Mr. Sanchez:

Pursuant to our discussion and based on a review and assessment of your project proposal and related financial information, First Bank of Some City, Texas commits to provide permanent financing for your project. Our commitment is based on the sound financial resources of the business (principals) and the feasibility of the project.

The terms of our commitment are as follows:

Amount: \$885,000 or 85 percent of the project cost, whichever is higher.

Rate: Prime plus 1-1/2 % (based on New York Prime), variable rate over the term of the loan.

Term: 20 years.

Expiration Date: Six months from the date of this letter.

Security: First Lien Deed of Trust on plant and satisfactory covenants.

Our financial commitment for this project is contingent only upon your business receiving the required infrastructure/real estate in support of your project from Some City, Texas (through an award from the Texas Department of Agriculture for a total of \$250,000).

We look forward to assisting you in finalizing this financial arrangement in the near future.

Sincerely,

Rita L. Moorehead
President